

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1729 be amended to read as follows:

- 1 Page 3, between lines 20 and 21, begin a new paragraph and
2 insert:
3 "SECTION 3. IC 4-35-7-12, AS AMENDED BY P.L.146-2008,
4 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2009 (RETROACTIVE)]: Sec. 12. (a) The Indiana horse
6 racing commission shall enforce the requirements of this section.
7 (b) Except as provided in subsections (j) and (k), a licensee shall
8 before the fifteenth day of each month devote to the gaming integrity
9 fund, horse racing purses, and to horsemen's associations an amount
10 equal to fifteen percent (15%) of the adjusted gross receipts of the slot
11 machine wagering from the previous month at the licensee's racetrack.
12 The Indiana horse racing commission may not use any of this money
13 for any administrative purpose or other purpose of the Indiana horse
14 racing commission, and the entire amount of the money shall be
15 distributed as provided in this section. A licensee shall pay the first two
16 hundred fifty thousand dollars (\$250,000) distributed under this section
17 in a state fiscal year to the commission for deposit in the gaming
18 integrity fund established by IC 4-35-8.7-3. After this money has been
19 distributed to the commission, a licensee shall distribute the remaining
20 money devoted to horse racing purses and to horsemen's associations
21 under this subsection as follows:
22 (1) Five-tenths percent (0.5%) shall be transferred to horsemen's
23 associations for equine promotion or welfare according to the
24 ratios specified in subsection (e).

(2) Two and five-tenths percent (2.5%) shall be transferred to horsemen's associations for backside benevolence according to the ratios specified in subsection (e).

(3) Ninety-seven percent (97%) shall be distributed to promote horses and horse racing as provided in subsection (d).

(c) A horsemen's association shall expend the amounts distributed to the horsemen's association under subsection (b)(1) through (b)(2) for a purpose promoting the equine industry or equine welfare or for a benevolent purpose that the horsemen's association determines is in the best interests of horse racing in Indiana for the breed represented by the horsemen's association. Expenditures under this subsection are subject to the regulatory requirements of subsection (f).

(d) A licensee shall distribute the amounts described in subsection (b)(3) as follows:

(1) Forty-six percent (46%) for thoroughbred purposes as follows:

(A) ~~Sixty~~ **Forty** percent (~~60%~~) (**40%**) for the following purposes:

(i) Ninety-seven percent (97%) for thoroughbred purses.

(ii) Two and four-tenths percent (2.4%) to the horsemen's association representing thoroughbred owners and trainers.

(iii) Six-tenths percent (0.6%) to the horsemen's association representing thoroughbred owners and breeders.

(B) ~~Forty~~ **Sixty** percent (~~40%~~) (**60%**) to the breed development fund established for thoroughbreds under IC 4-31-11-10.

(2) Forty-six percent (46%) for standardbred purposes as follows:

(A) Fifty percent (50%) for the following purposes:

(i) Ninety-six and five-tenths percent (96.5%) for standardbred purses.

(ii) Three and five-tenths percent (3.5%) to the horsemen's association representing standardbred owners and trainers.

(B) Fifty percent (50%) to the breed development fund established for standardbreds under IC 4-31-11-10.

(3) Eight percent (8%) for quarter horse purposes as follows:

(A) Seventy percent (70%) for the following purposes:

(i) Ninety-five percent (95%) for quarter horse purses.

(ii) Five percent (5%) to the horsemen's association representing quarter horse owners and trainers.

(B) Thirty percent (30%) to the breed development fund established for quarter horses under IC 4-31-11-10.

Expenditures under this subsection are subject to the regulatory requirements of subsection (f).

(e) Money distributed under subsection (b)(1) and (b)(2) shall be allocated as follows:

(1) Forty-six percent (46%) to the horsemen's association representing thoroughbred owners and trainers.

(2) Forty-six percent (46%) to the horsemen's association representing standardbred owners and trainers.

(3) Eight percent (8%) to the horsemen's association representing quarter horse owners and trainers.

(f) Money distributed under this section may not be expended unless the expenditure is for a purpose authorized in this section and is either for a purpose promoting the equine industry or equine welfare or is for a benevolent purpose that is in the best interests of horse racing in Indiana or the necessary expenditures for the operations of the horsemen's association required to implement and fulfill the purposes of this section. The Indiana horse racing commission may review any expenditure of money distributed under this section to ensure that the requirements of this section are satisfied. The Indiana horse racing commission shall adopt rules concerning the review and oversight of money distributed under this section and shall adopt rules concerning the enforcement of this section. The following apply to a horsemen's association receiving a distribution of money under this section:

(1) The horsemen's association must annually file a report with the Indiana horse racing commission concerning the use of the money by the horsemen's association. The report must include information as required by the commission.

(2) The horsemen's association must register with the Indiana horse racing commission.

(g) The commission shall provide the Indiana horse racing commission with the information necessary to enforce this section.

(h) The Indiana horse racing commission shall investigate any complaint that a licensee has failed to comply with the horse racing purse requirements set forth in this section. If, after notice and a hearing, the Indiana horse racing commission finds that a licensee has failed to comply with the purse requirements set forth in this section, the Indiana horse racing commission may:

(1) issue a warning to the licensee;

(2) impose a civil penalty that may not exceed one million dollars (\$1,000,000); or

(3) suspend a meeting permit issued under IC 4-31-5 to conduct a pari-mutuel wagering horse racing meeting in Indiana.

(i) A civil penalty collected under this section must be deposited in the state general fund.

(j) For a state fiscal year beginning after June 30, 2008, and ending before July 1, 2009, the amount of money dedicated to the purposes described in subsection (b) for a particular state fiscal year is equal to the lesser of:

(1) fifteen percent (15%) of the licensee's adjusted gross receipts for the state fiscal year; or

(2) eighty-five million dollars (\$85,000,000).

If fifteen percent (15%) of a licensee's adjusted gross receipts for the

1 state fiscal year exceeds the amount specified in subdivision (2), the
 2 licensee shall transfer the amount of the excess to the commission for
 3 deposit in the state general fund. The licensee shall adjust the transfers
 4 required under this section in the final month of the state fiscal year to
 5 comply with the requirements of this subsection.

6 (k) For a state fiscal year beginning after June 30, 2009, the amount
 7 of money dedicated to the purposes described in subsection (b) for a
 8 particular state fiscal year is equal to the lesser of:

9 (1) fifteen percent (15%) of the licensee's adjusted gross receipts
 10 for the state fiscal year; or

11 (2) the amount dedicated to the purposes described in subsection
 12 (b) in the previous state fiscal year increased by a percentage that
 13 does not exceed the percent of increase in the United States
 14 Department of Labor Consumer Price Index during the year
 15 preceding the year in which an increase is established.

16 If fifteen percent (15%) of a licensee's adjusted gross receipts for the
 17 state fiscal year exceeds the amount specified in subdivision (2), the
 18 licensee shall transfer the amount of the excess to the commission for
 19 deposit in the state general fund. The licensee shall adjust the transfers
 20 required under this section in the final month of the state fiscal year to
 21 comply with the requirements of this subsection."

22 Page 4, after line 26, begin a new paragraph and insert:

23 "SECTION 5. [EFFECTIVE UPON PASSAGE] (a) **As used in this**
 24 **SECTION, "committee" refers to the interim study committee on**
 25 **horse racing established by this SECTION.**

26 (b) **There is established the interim study committee on horse**
 27 **racing. The committee shall study issues concerning live**
 28 **pari-mutuel horse racing, including the following:**

29 (1) **The allocation of stalls at racetracks.**

30 (2) **The distribution of money received by the Indiana horse**
 31 **racing commission.**

32 (3) **Racing opportunities for Indiana bred horses.**

33 (4) **Injuries and equine mortality.**

34 (5) **Drug testing.**

35 (6) **Breed development.**

36 (7) **Whether the Indiana horse racing commission should**
 37 **remain an independent agency or be placed within the**
 38 **Indiana state department of agriculture.**

39 (8) **The allocation of money for purses.**

40 (c) **The committee shall operate under the policies governing**
 41 **study committees adopted by the legislative council.**

42 (d) **The affirmative votes of a majority of the voting members**
 43 **appointed to the committee are required for the committee to take**
 44 **action on any measure, including a final report.**

45 (e) **The committee shall submit a final report of the committee's**
 46 **findings and recommendations to the legislative council in an**
 47 **electronic format under IC 5-14-6 before November 1, 2009.**

1 **(f) This SECTION expires December 1, 2009.**

2 SECTION 6. [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]

3 **(a) IC 4-35-7-12, as amended by this act, applies to:**

4 **(1) adjusted gross receipts (as defined by IC 4-35-2-2)**
5 **received by a licensee after December 31, 2008;**

6 **(2) amounts that are distributed to promote horses and horse**
7 **racing under IC 4-35-7-12(b)(3) after January 31, 2009; and**

8 **(3) racing meetings that begin after December 31, 2008.**

9 **(b) As used in this SECTION, "fund" refers to the breed**
10 **development fund established for thoroughbreds under**
11 **IC 4-31-11-10.**

12 **(c) As used in this SECTION, "licensee" has the meaning set**
13 **forth in IC 4-35-2-7.**

14 **(d) Distributions made before May 1, 2009, must be reconciled**
15 **with the distribution amounts required under IC 4-35-7-12, as**
16 **amended by this act. A licensee shall supplement each distribution**
17 **to the fund under IC 4-33-7-12(d)(1)(B) that is made after April 30,**
18 **2009, and before November, 2010, with an additional amount that**
19 **is equal to one-sixth (1/6) of the difference between:**

20 **(1) the total amount of distributions to the fund for February,**
21 **March, and April 2009 that are required by**
22 **IC 4-35-7-12(d)(1)(B), as amended by this act; minus**

23 **(2) the total amount of distributions that were actually made**
24 **to the fund in February, March, and April 2009.**

25 **(e) This SECTION expires May 1, 2010.**

26 SECTION 7. An emergency is declared for this act."

27 Renumber all SECTIONS consecutively.

(Reference is to HB 1729 as printed February 17, 2009.)

Representative Goodin